ACTIVE CASES
Analysis December 2003 QA Results for Food Stamps

Sample Size: 88
   (drops excluded)

Totals for December 2003:

LOCATION	TOTAL SAMPLE ISSUANCE	# of ERROR CASES	ERROR DOLLAR TOTAL	PERCENT DOLLARS IN ERROR	FFY 2004 ERROR RATE
STATEWIDE	17,849.00	13	1835.00	10. 3%	8.1%
MILWAUKEE	7,064.00	5	773.00	10.9 %	10.2%
BAL- STATE	10,785.00	8	1062.00	9.8%	6.5%

ERROR CAUSES BY TYPE:
- **8-** Agency Preventable Errors, all at certification or re-certification
- **5-** Client "failure to report" errors, all at certification or re-certification

OVERVIEW OF THE ERRORS AND WHERE THEY OCCURRED:
Of the 8 APES, four were in Milwaukee, and four in balance of state.
Of the 5 client errors, one was in Milwaukee and four in balance of state.

TYPES OF APE ERRORS (8 total):

3- Earned income: Failure to budget correctly:
- In all three cases never verified and recalculated at re-certification; one used four-month-old pay stubs, one used two-month-old, one failed to verify at all

1- Self-Employment: agency divided a monthly average by 6 instead of 1

1- Child Support: agency budgeted CS when it hadn't been received recently

1- Assets: agency failed to enter assets that were reported and verified: these assets exceeded program limits, thus entire FS payment in error.

1- FSET Sanction: agency excluded a person for an old FSET sanction when the person was no longer mandatory.

1- Unemployment Comp: At re-certification agency left in UC that had ended several months previous to that time.

TYPES OF CLIENT ERRORS (5 total):
No cases in this sample were considered errors under the old rules that would have been correct under reduced reporting.

2- Self-employment: in one case client failed to report two self-employment jobs that made case ineligible (over gross limits). In the

other case the client misrepresented self-employment as regular (agency has some fault in not verifying type of income).

1- **Shelter**: client failed to report reduction in rent at review. Agency only required to verify if client moves or reports a change. Better interviewing techniques can address this to some extent.
1- **Kinship Care:** client failed at reviews to report that Kinship Care income ended in 2002. Better interviewing techniques can prevent this: highly unusual for a customer to report income they don't have. Was the question asked when the unearned income screen AFUQ came up? And when the AFUI specific screen came up in the driver flow?
1- **Assets**: client failed to report assets at application. These assets were over the program limit so the entire FS allotment was in error.

WHEN WERE THE APES MADE?

Of the eight APES, 6 were made at re-certifications, and 2 were at application, again proving that workers with ongoing caseloads are crucial to accuracy, and plans put forth by one agency to put its "best workers" primarily on applications is no more beneficial to payment accuracy than having an overall skilled staff.

TRENDS OR RECOMMENDATIONS?

- **Assets**: APES and client errors on assets created $378 in dollar errors this month. Without those errors the rate would be reduced by more than 2%. This is a critical issue because each entire FS issuance was an overpayment because the assets were over may be a perception by some ESS that assets aren't important because they don't have to be verified in most cases. ESS should find assets questionable and verifiable especially if the customer is unsure of the balance, or the customer verbally reduces the stated balance once the FS are denied for being over asset limit. In one of the cases the worker pended the checking account with a "?" mark but that doesn't pend— only the "Q?" does.
- Also, the broad –based categorical eligibility concept should take high precedence in CARES and policy discussions.

- **Self-Employment:**
APES and client errors in self-employment were unusually high, accounting for $397 dollars. Without those errors the rate would have dropped more than 2%. The client error appears deliberate. Possibly during the interview the ESS questioning long periods of time without income could have prompted the client to report more. Perhaps Wisconsin should consider greater emphasis on the ramifications of fraud and client error to the customer, like some states do. The case with the worker error could have been caught if the worker checked the budget screen closer prior to confirmation. (The self-

employment income was $120 per month net but the worker had that prorated over 6 months, rather than one. The budget screen showed $20 being budgeted.)

"BIGGEST CONTRIBUTORS": The cases that caused the largest dollar errors for December 2003 (including client errors):

- **Outagamie County, $311 Client error**: The customer and spouse each began self-employment endeavors in May 2003, and didn't report to the agency. This was before the onset of reduced reporting rules. Regardless, if it had been after, they would have been required to report it, since the group then exceeded 130% of the FPL limit for their group size. Furthermore, they started a week prior to their re-certification interview in May 2003, and were required to report it then.

- **Milwaukee County, $298 Agency Preventable Error:** At the May 2003 re-certification interview the agency failed to change the Unemployment Compensation income to zero. The customer ceased receiving benefits in January of 2003. The UC and other DILHR screens come up in the driver flow so this shouldn't have occurred.

- **Vilas County, $270 client error:** At application the customer was over assets--having $9,981 in assets in savings and checking accounts. It is unclear whether the client reported $1000 in a checking account, or was unsure of the balance so the worker entered a low number ($1000) so CARES wouldn't fail the FS outright, and thus could allow for verification time. The agency entered a question mark but unfortunately this doesn't pend for FS, only the "Q?" will. FS benefits were a total overpayment because of the actuall excess assets. This could actually be an APE, because the verification codes were explained in an Operations Memo and is also covered in the FS APP 25 processing guidelines.

mbw 04/28/04